STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 23825–23827

MOTION TO STRIKE V-F PETROLEUM'S ENTRY OF APPEARANCE AND OBJECTION

Permian Resources Operating, LLC ("Permian Resources"), through undersigned counsel, submits this motion to strike V-F Petroleum Inc.'s ("V-F Petroleum") entry of appearance and objection, filed on September 18, 2023. The motion should be granted for two reasons.

First, V-F Petroleum is not subject to these pooling proceedings. Under 19.15.4.10.B NMAC, a "person <u>entitled to notice</u> may enter an appearance at any time"; however, V-F Petroleum is not entitled to notice because it does not own an interest in any of the tracts that Permian Resources is seeking to pool in these cases. Only a party with an "interest in the mineral estate" is entitled to notice in compulsory pooling cases. 19.15.4.12.A(1)(a) NMAC. V-F Petroleum does not own an interest in the mineral estate, is not entitled to notice, and did not receive notice. The regulations do not allow V-F Petroleum to enter an appearance as it has attempted to do.

Second, V-F Petroleum did not properly intervene and has articulated no basis to do so. As noted above, V-F Petroleum does not own an interest in any of the tracts that Permian Resources is seeking to pool, and neither has it established standing in these cases as a basis for intervention. A motion to intervene requires that a party establish "the nature of [the] intervenor's interest in the application" and that the party explain their opposition "of the order applicant seeks." 19.15.4.11.A(3)-(4) NMAC. Intervention is appropriate only if the "intervenor's participation will contribute <u>substantially</u> to the prevention of waste[] [and] protection of correlative rights." 19.15.4.11.C NAMC. V-F Petroleum has made none of the showing required to intervene in these cases.

CONCLUSION

For the above-stated reasons, V-F Petroleum's entry of appearance and objection in these cases should be striken and the cases should be permitted to proceed to hearing by affidavit on October 5, 2023.

Respectfully submitted,

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ATTORNEYS FOR PERMIAN RESOURCES OPERATING, LLC

CERTIFICATE OF SERVICE

I hereby certify that on September 28, 2023, I served a copy of the foregoing document to the following counsel of record via Electronic Mail:

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